

## **LOCAL BANKRUPTCY RULE 2002-2**

### **NOTICE TO UNITED STATES OR FEDERAL AGENCIES**

#### **(a) UNITED STATES TRUSTEE**

- (1) Copies of Papers. Unless otherwise directed, copies of all papers filed in all cases and proceedings under chapters 7, 9, and 11 shall be served upon the United States trustee. In chapter 13 cases, only notices of conversion or motions to convert the case to another chapter shall be served on the United States trustee. Proofs of claim or copies thereof shall not be served on the United States trustee.
- (2) Matters Requiring Pre-Filing Review by United States Trustee. The following matters shall be submitted to the United States trustee for review and comment prior to filing with the court:
  - (A) Applications to employ professional persons, except as provided in Local Bankruptcy Rule 2014-1(b)(1) and in chapter 13 cases.
  - (B) Motions to extend time to file the papers required by F.R.B.P. 1007 in chapter 11 cases.
  - (C) Stipulations for appointment of a chapter 11 trustee or examiner or any other person or entity to be given possession, control or operation of any of the debtor's property outside of the ordinary course of business.

To obtain the statement of position of the United States trustee, the moving party or applicant shall serve the motion or application, proposed order, and proof of service, together with a self-addressed stamped envelope, on the United States trustee. The United States trustee shall review the motion and proposed order and, no later than 15 days from the date of service, if personally served, and 20 days from the date of service, if served by mail, serve upon the moving party or applicant a statement of position, if any, with respect to the motion. Upon the receipt of the statement of position, the moving party or applicant may proceed to file the papers with the court. In the event the statement of position is not timely served by the United States trustee, the moving party or applicant may proceed to file the papers with the court accompanied by a declaration regarding the attempt to obtain the statement of position of the United States trustee.

- (3) Notice of Emergency Motions and Hearings Held on Shortened Notice. Telephonic notice of emergency motions or hearings held on shortened notice shall be given to the United States trustee if the United States trustee would otherwise be entitled to notice of the type of motion or hearing.
- (4) Place of Service. The Office of the United States Trustee shall be included in the Master Mailing List. Papers shall be served on the Office of the United States Trustee at addresses made available on the Central District's web site <[www.cacb.uscourts.gov](http://www.cacb.uscourts.gov)> and in the clerk's office at all Central District divisions.

**(b) UNITED STATES ATTORNEY**

The United States Attorney for this district has waived notice under F.R.B.P. 2002(j). If the United States Attorney requires notice in a case or proceeding, she or he shall file with the court and serve the debtor, the United States trustee, any trustee, and the representatives of any committee appointed in a case with a request for special notice.

**(c) INTERNAL REVENUE SERVICE**

- (1) Except with respect to contested matters or adversary proceedings (where service shall comply with the requirements of F.R.B.P. 7004 and Local Bankruptcy Rule 2002-2(c)(2)), or as otherwise ordered by the court, all notices to the United States Internal Revenue Service shall be sent to addresses made available on the Central District's web site <[www.cacb.uscourts.gov](http://www.cacb.uscourts.gov)> and in the clerk's office at all Central District divisions.
- (2) In all contested matters and adversary proceedings involving the Internal Revenue Service, the United States, the Attorney General in Washington, D.C., and the United States Attorney in Los Angeles shall be served at addresses made available on the Central District's web site <[www.cacb.uscourts.gov](http://www.cacb.uscourts.gov)> and in the clerk's office at all Central District divisions.

***See also Local Bankruptcy Rule 7004-1: ISSUANCE AND SERVICE OF PROCESS AND NOTICE, and Local Bankruptcy Rule 9013-1(a)(2): MOTIONS, GENERAL REQUIREMENTS, Motion Days.***

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**Court's Comment**

**2001 Revision**

Paragraph (a)(4) UNITED STATES TRUSTEE PLACE OF SERVICE. This section was amended to refer parties needing addresses for the Office of the United States Trustee *to addresses made available on the Central District's web site <[www.cacb.uscourts.gov](http://www.cacb.uscourts.gov)> and at all Central District divisions . . .* rather than to a list provided within the Local Bankruptcy Rules.

Paragraph (c)(1) INTERNAL REVENUE SERVICE. This section was amended to refer parties needing addresses for the Internal Revenue Service: . . . ~~as follows:~~ *to addresses made available on the Central District's web site <www.cacb.uscourts.gov> and at all Central District divisions* . . . rather than to a list provided within the Local Bankruptcy Rules. The addresses that followed were deleted.

Paragraph (c)(2). In contested matters involving service addresses for the Internal Revenue Service, the United States, the Attorney General in Washington, D.C., and the United States Attorney in Los Angeles, this section was amended to state that these agencies: . . . *shall be served at the following addresses:* ~~addresses made available on the Central District's web site <www.cacb.uscourts.gov> and at all Central District divisions.~~ The addresses that followed were deleted.

### **2000 Revision**

Paragraphs (a)(4)(A), (B), and (C) were amended to reflect changes of address for the United States trustee's offices in Los Angeles, Santa Ana, and Riverside (July 2000).

Paragraphs (c)(1)(A), (B), (C), (D), and (E) were amended to reflect changes of address for the Internal Revenue Service in Los Angeles, Laguna Niguel, San Jose, San Bernardino, and San Diego. (July 2000)

Paragraph (c)(2) was amended to reflect a change of address for the United States Attorney's office. (July 2000)

### **1998 Revision**

Former Local Rule 105(5).

Paragraph (a)(1) Copies of Papers. (former (5)(a)(i)). *Unless otherwise directed*, added to beginning of first sentence. *Must* changed to *shall* in last sentence. Chapter 12 reference deleted. New last sentence added.

Paragraph (a)(2) Matters Requiring Pre-Filing Review by United States Trustee (former (5)(a)(ii)). *Must* changed to *shall* in first sentence. Last paragraph deleted, and new last paragraph added.

Paragraph (a)(2)(A) (former (5)(a)(ii)(A)). Reference to *Local Bankruptcy Rule 2014-1(b)(1) Applications for Employment* added.

Paragraph (a)(4) Place of Service (former (5)(a)(iv)). *Should* changed to *shall* in two places to make service on the Office of the United States Trustee mandatory.

Paragraph (a)(4)(A). *San Fernando Valley* added to heading.

Paragraph (a)(4)(C). *San Bernardino* changed to *Riverside*. Address changed.

Paragraph (b) UNITED STATES ATTORNEY. The Attorney General in Washington, D.C. has not waived notice. Also, language directing the U. S. Attorney to file *with the court* was added for clarity.

Paragraph (c)(1)(A) To the IRS Los Angeles District Office (former (5)(c)(i)). *IRS* and *District* added to heading. Modified to provide for separate mailing and hand delivery addresses for chapter 13 bankruptcy cases and other bankruptcy cases (including chapters 7 and 11).

Paragraph (c)(1)(B) To the IRS Southern California (Laguna Niguel) District Office (former (5)(c)(ii)). *IRS Southern California* and *District* added to heading. Mailing and hand delivery addresses modified.

Paragraph (c)(1)(C) To the IRS San Jose District Office (former (5)(c)(iii)). *IRS* and *District* added to heading. Modified to provide for separate mailing and hand delivery addresses for chapter 12 and 13 bankruptcy cases and other bankruptcy cases (including chapters 7 and 11).

Paragraph (c)(2). New Rule added to provide service requirements for contested and adversary matters. The Attorney General in Washington, D.C. has not waived notice.

Cross-references to Local Bankruptcy Rules 7004-1 and 9013-1(a)(2) added.

**LOCAL BANKRUPTCY RULE 2004-1****MOTIONS FOR EXAMINATIONS UNDER F.R.B.P. 2004**

Motions for examination under F.R.B.P. 2004 shall be served on the debtor, the trustee (if any), the United States trustee, and the examinee. The motion shall also state the place of residence and the place of employment of the party whose examination is requested, if known. The motion shall state why the examination cannot proceed under F.R.B.P. 7030 or 9014. Unless otherwise ordered by the court, no hearing is required. Not less than 21 days notice of the examination shall be provided, calculated from the date of service or the date of filing of the motion unless otherwise ordered by the court.

Motions for protective orders shall be filed and served not less than 11 days before the date of the examination, and set for hearing not less than 2 court days before the scheduled examination, unless an order shortening time is granted by the court. The parties may stipulate, or the court may order, that the examination be postponed so that the motion for protective order can be heard on regular notice under Local Bankruptcy Rule 9013-1(a). The court may require compliance with Local Bankruptcy Rule 9075-1(a).

After the court approves a Rule 2004 examination of a third party, that party shall be properly served with a subpoena as required by F.R.B.P. 9016 and F.R.Civ.P. 45. The party whose examination is requested may file a motion for protective order if grounds exist under F.R.B.P. 7026 and F.R.Civ.P. 26(c). Such a motion may be heard on shortened notice under Local Bankruptcy Rule 9075-1(b) if necessary.

For any dispute that may arise under Local Bankruptcy Rule 2004-1, the parties shall comply with Local Bankruptcy Rule 9013-1(c).

***See also Local Bankruptcy Rule 9013-1(c): MOTIONS (EXCEPT REJECTION OF COLLECTIVE BARGAINING AGREEMENTS), DISCOVERY.***

**Court's Comment****1998 Revision**

Former Local Bankruptcy Rule 111(7)(c). *debtor and trustee (if any)* replaced by *debtor, the trustee (if any)*, in the first sentence; *the United States trustee and the examinee* added at the end of the first sentence; *must* changed to *shall* and *application* changed to *motion* in last sentence of the first paragraph; *for cause shown* deleted from the last sentence of the first paragraph; *must* changed to *shall* in first line of third paragraph. New last paragraph added.

## LOCAL BANKRUPTCY RULE 2010-1

### BONDS OR UNDERTAKINGS

**(a) BONDS, UNDERTAKINGS, STIPULATIONS OF SECURITY-APPROVAL, SURETIES, QUALIFICATION**

- (1) Approval. The clerk is authorized to approve on behalf of the court all bonds, undertakings and stipulations of security given in the form and amount prescribed by statute, order of court or stipulation of counsel, which comply with the requirements of this Local Bankruptcy Rule and contain a certificate by an attorney, as set forth below, except where the approval of a judge is specifically required by law. With respect to all bonds of trustees required pursuant to § 322 of the Code, the United States trustee shall set the amount of the bonds and approve the sufficiency of the surety, and such bonds are not covered by the terms of this Local Bankruptcy Rule.
- (2) Third-Party Sureties. No bond or undertaking requiring third-party sureties shall be approved unless it bears the names and addresses of sufficient third-party sureties and is accompanied by a declaration stating that:
  - (A) The surety is a resident of the State of California.
  - (B) The surety owns real property within the State of California.
  - (C) The surety is worth the amount specified in the bond or undertaking, over and above just debts and liabilities.
  - (D) The property is not exempt from execution. If specifically approved by the court, real property in any other state of the United States may be part of the surety's undertaking.
- (3) Terms and Conditions for Corporate Sureties. Before any corporate surety bond or undertaking is accepted by the clerk, the corporate surety shall have on file with the district court clerk or the clerk a duly authenticated copy of a power of attorney appointing the agent executing the bond or undertaking. The appointment shall be in a form to permit recording in the State of California.

- (4) Ineligible Persons. No clerk, deputy clerk, marshal, magistrate judge, attorney, or other officer of this court will be accepted as surety upon any bond or undertaking in any action or proceeding in this court.
- (5) Cash in Lieu of Bond. Cash may be deposited with the clerk in lieu of any bond or undertaking requiring a personal or corporate surety. Such cash deposit shall be subject to all of the provisions of this Local Bankruptcy Rule, F.R.B.P. and the F.R.Civ.P. applicable to bonds and undertakings.

**(b) CERTIFICATE BY ATTORNEY**

A bond or undertaking presented to the clerk for acceptance shall be accompanied by a certificate by the attorney for the presenting party in substantially the following form:

“This bond (or undertaking) has been examined pursuant to Local Bankruptcy Rule 2010-1 and is recommended for approval. It (is)(is not) required by law to be approved by a judge.

\_\_\_\_\_”  
 Date Attorney

A certificate by an attorney made pursuant to this Local Bankruptcy Rule certifies to the court that:

- (1) The attorney has carefully examined the document.
- (2) The attorney knows the content of the document.
- (3) The attorney knows the purpose for which the document is executed.
- (4) In the attorney’s opinion, the document is in due form.
- (5) The attorney believes the declarations of qualification by the surety are true.
- (6) The attorney has determined whether the document is required by law to be approved by a judge.

**(c) APPROVAL OF JUDGE**

If a bond or undertaking is required by law to be approved by a judge, it shall be presented to the judge with the attorney’s certificate required by this Local Bankruptcy Rule before it is filed by the clerk.



**(d) CONSENT TO SUMMARY ADJUDICATION OF OBLIGATION**

A bond or undertaking presented for filing shall contain the consent and agreement for the surety that in case of default or contumacy on the part of the principal or surety, the court may upon 10 days notice proceed summarily and render a judgment in accordance with the obligation undertaken and issue a writ of execution upon that judgment.

An indemnitee or party in interest seeking a judgment on a bond or undertaking shall proceed by Motion for Summary Adjudication of Obligation and Execution. Service of the motion on personal sureties shall be made pursuant to F.R.Civ.P. 5(b). Service shall be made on a corporate surety as provided in 6 U.S.C. § 7.

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**Court's Comment****1998 Revision**

Paragraph (a)(1). Former Local Bankruptcy Rule 116(1)(i). *Local Bankruptcy Rule 135* changed to *this Local Bankruptcy Rule* in first sentence. New last sentence added.

The remainder of the Rule is from former Local Bankruptcy Rule 135.

Paragraph (a)(4). *Magistrate, Judge* changed to *magistrate judge*.

Paragraph (b). CERTIFICATE BY ATTORNEY. “presented *by* the clerk” changed to “presented *to* the clerk” in the first line.

**LOCAL BANKRUPTCY RULE 2014-1****EMPLOYMENT OF DEBTOR AND PROFESSIONAL PERSONS****(a) EMPLOYMENT OF DEBTOR'S PRINCIPALS OR INSIDERS IN CHAPTER 11 CASES**

No compensation or other remuneration shall be paid from the assets of the estate to a debtor's owners, partners, officers, directors, shareholders, and relatives of insiders as defined by 11 U.S.C. § 101(31), from the time of the filing of the petition until the confirmation of a plan unless the debtor submits to the United States trustee a Notice of Setting/Increasing Insider Compensation as provided in the United States Trustee Notices and Guides. The debtor must serve the notice on the creditors' committee or the 20 largest creditors if no committee has been appointed, and provide proof of service to the United States trustee. If no objection is received within 15 days, such compensation may be paid from the estate. If an objection is received within the 15-day notice period, the debtor shall set the matter for hearing and serve a Notice of Hearing, indicating the date and time of the hearing, upon the objecting party and the United States trustee on not less than 20 days notice. The original Notice of Hearing, along with true and correct copies of the Notice of Setting/Increasing Insider Compensation and the objection, shall be filed with the court. If the proposal is to increase the amount of compensation or other remuneration, no such increase will be effective until 30 days after service of the notice. The notice provision and objection procedure as set forth above also applies to increasing insider compensation requests.

**(b) EMPLOYMENT OF PROFESSIONAL PERSONS**

- (1) Applications for Employment. All applications for orders approving employment of professional persons shall comply with the requirements of F.R.B.P. 2014 and the applicable United States Trustee Notices and Guides. Such applications shall be accompanied by a declaration of disinterestedness or disclosing the nature of any interest held by the applicant, signed by the person to be appointed. An original application to retain professionals under 11 U.S.C. § 327 shall be submitted to the United States trustee for review and comment prior to filing. No hearing shall be required unless requested by the United States trustee, a party in interest, or otherwise ordered by the court.

Alternatively, the application may be made by noticed hearing and filed directly with the court. In such event, notice shall be given to all parties requesting special notice, any committee [or, if none has been appointed, to the 20 largest unsecured creditors], the debtor, the trustee appointed in the case (if any), their attorneys, and the United States trustee.

A timely application for employment is a prerequisite to compensation from the estate; therefore, an application for the employment of counsel for a debtor in possession should be filed as promptly as possible after the commencement of the case and an application for employment of any other professional person should be filed as promptly as possible after such person has been engaged. Substitution of attorneys shall also comply with Local Bankruptcy Rule 2090-1(f). If a chapter 7 trustee seeks to retain himself or herself, or his or her own firm as a professional, the application shall specify the reasons therefor in compliance with 11 U.S.C. § 327(d).

- (2) Notice of Application. Notice that an application by the debtor (if such application is required), debtor in possession, or trustee, to retain professionals has been submitted to the United States trustee, shall be filed and served on the official creditors' committee, its counsel, the debtor (if a trustee has been appointed), and all parties who have requested special notice. If no creditor's committee has been formed, notice shall be given to the 20 largest unsecured creditors. Notice that an application by a committee to retain professionals has been submitted to the United States trustee shall be filed and served on the debtor or debtor in possession and the trustee (if appointed), and their counsel. The notice shall be filed and served prior to or on the same day that the application is submitted.

The notice shall:

- (A) State the identity of the professional and the purpose and scope for which it is being employed.
- (B) Describe the arrangements for compensation, including the size of any retainer, the date on which it was paid, and any provision regarding replenishment thereof.
- (C) Provide a name, address and telephone number of the person who will provide a copy of the application upon request.
- (D) Advise the recipient that any response and request for hearing, in the form required by Local Bankruptcy Rule 9013-1(a)(7), shall be filed and served on the applicant (and counsel, if any) and the United States trustee no later than 15 days from the date of service of the notice.

- (3) Review by the United States Trustee. All applications for orders approving employment of professional persons shall be submitted to the United States trustee for review and comment prior to filing unless noticed and set for hearing as set forth in subparagraph (b)(1) above, or otherwise ordered by the court. A separate Comments page shall be included in the applications as required by the United States Trustee Notices and Guides. The United States trustee shall promptly indicate on the Comments page of the original applications either:
- (A) The United States trustee has no objection;
  - (B) The United States trustee objects and requests a hearing;
  - (C) An objection is raised, but a hearing is not required; or
  - (D) The United States trustee takes no position.

For purposes of determining the timeliness of the application, the date of filing will be deemed to relate back to the date of submission to the United States trustee, unless otherwise ordered by the court.

### Court's Comment

#### 1998 Revision

Paragraph (a) Employment of Debtor's Principals or Insiders in Chapter 11 Cases. Paragraph amended to reflect actual practice.

Paragraph (b)(1) Applications for Employment. In the first sentence of the first subparagraph, *orders approving* inserted after *All applications for.* *And the applicable United States Trustee Notices and Guides* added to the end of the first sentence. The last two sentences of the first subparagraph and the entire second subparagraph -- former Local Bankruptcy Rule 111(7)(d) -- added after changing *The original of applications* to *An original application* and *must* to *shall* in the first sentence of the former Local Bankruptcy Rule. In the first sentence of the third subparagraph, *therefore* inserted between *estate* and *an application*, and *and an application for employment of any other professional person should be filed as promptly as possible after such person has been engaged* inserted after *case*. In the second sentence of the third subparagraph, *must* changed to *shall*. Last sentence of former Local Bankruptcy Rule 141(2)(a) deleted.

Paragraph (b)(2) Notice of Application. First paragraph. In the first sentence, *the debtor (if a trustee has been appointed)* inserted after *its counsel*. In the third sentence, *debtor or* inserted before *debtor in possession*, and *or trustee* changed to *and the trustee (if appointed)*. In the fourth sentence, *must* changed to *shall*.

Second paragraph. New subsection (B) added; former subsections (ii) and (iii) renumbered (C) and (D) respectively; *must* changed to *shall* in new subsection (D).

Paragraph (b)(3) Review by the United States Trustee. *U. S. Trustee Guidelines* was replaced with *United States Trustee Notices and Guides* in the second sentence.

**LOCAL BANKRUPTCY RULE 2015-2****REQUIREMENTS OF CHAPTER 11 DEBTOR IN POSSESSION  
OR CHAPTER 11 TRUSTEE****(a) REPORTS BEFORE CONFIRMATION OF PLAN**

The debtor, the debtor in possession, or chapter 11 trustee shall provide the United States trustee with reports covering financial, management, operational and such other information as the United States trustee requests in writing as necessary to properly supervise the administration of a chapter 11 case pursuant to the United States Trustee Notices and Guides. Timely compliance with the reasonable requirements of the United States trustee is mandatory. The United States trustee may, at any time during the pendency of a case, add or delete requirements where such modifications are necessary or appropriate.

**(b) DUTY TO COMPLY WITH UNITED STATES TRUSTEE NOTICES AND GUIDES**

A debtor in possession or chapter 11 trustee shall comply with the reasonable requirements of the United States trustee with respect to form, maintenance of records, and reporting requirements as set forth in the United States Trustee Notices and Guides.

**(c) DUTIES UPON CONVERSION TO CHAPTER 7**

Upon entry of an order converting a case to one under chapter 7, the debtor in possession or chapter 11 trustee, if any, shall, in addition to complying with those duties set forth in F.R.B.P. 1019:

- (1) Secure, preserve and refrain from disposing of property of the estate.
- (2) Contact the chapter 7 trustee and arrange to deliver property of the estate and all books and records to the trustee or the trustee's designated agent.
- (3) Within 5 days after entry of said order, file and serve upon the United States trustee and the chapter 7 trustee, a verified schedule of all property of the estate as of the conversion date.

**Court's Comment****1998 Revision**

Paragraph (a) REPORTS BEFORE CONFIRMATION OF PLAN. *The debtor* was added to the beginning of the first sentence. *U. S. Trustee Guidelines* was replaced with *United States Trustee Notices and Guides* in the first sentence.

Paragraph (b) DUTY TO COMPLY WITH UNITED STATES TRUSTEE NOTICES AND GUIDES. Paragraph title changed. *All disbursements of an estate shall satisfy* changed to *A debtor in possession or chapter 11 trustee shall comply with*; *U. S. Trustee Guidelines* was replaced with *United States Trustee Notices and Guides*.

Paragraph (c) DUTIES UPON CONVERSION TO CHAPTER 7. In first line, *in addition to complying with those duties set forth in F.R.B.P. 1019* added to clarify the procedure after conversion to a chapter 7 case.

## **LOCAL BANKRUPTCY RULE 2016-1**

### **COMPENSATION OF PROFESSIONAL PERSONS**

#### **(a) INTERIM FEES FOR PROFESSIONAL PERSONS**

- (1) Form of Fee Applications. All applications for interim fees filed by attorneys, accountants, other professionals, and trustees or examiners shall contain the following:

- (A) A brief narrative history of the present posture of the case. In chapter 11 cases, the information furnished shall describe the general operations of the debtor and whether the business of the debtor, if any, is being operated at a profit or loss, cash flow, whether a plan has been filed, and if not, what are the prospects for reorganization and when it is anticipated that a plan will be filed. In chapter 7 cases, the application shall contain a report of the administration of the case including the disposition of property of the estate, what property remains to be disposed of, why the estate is not in a position to be closed, and whether it is feasible to pay an interim dividend to creditors. In both chapter 7 and chapter 11 cases, the application should show the amount of money on hand in the estate and the estimated amount of other accrued expenses of administration. At the hearing on applications for interim fees, the applicant should supplement the application by declaration or by testimony to inform the court of the current financial status of the debtor's estate.

Fee applications submitted by auctioneers, real estate brokers or appraisers do not have to comply with this subparagraph, except that auctioneers, unless otherwise ordered by the court, must file the report required by F.R.B.P. 6004(f) prior to receiving final compensation. For all other applications, when more than 1 application is noticed for the same hearing, they may incorporate by reference the narrative history furnished in one of the other contemporaneous applications.

- (B) The date of entry of the order of the court approving the employment of the individual or firm for whom payment of fees or expenses is sought and the date of the last fee application for the professional.



- (C) A listing of the amount of fees and expenses previously requested, those approved by the court, and how much has been received.
- (D) A brief narrative statement of the services rendered and the time expended during the period covered by the fee application.
- (E) A detailed listing of all time spent by the professional on matters for which compensation is sought, including the following:
  - (i) Date service was rendered.
  - (ii) Description of service. It is not sufficient to merely state “Research,” “Telephone Call,” “Court Appearance,” etc. Reference shall be made to the particular persons, motions, discrete tasks performed and other matters related to such service. Summaries that list a number of services under only 1 time period will generally not be satisfactory.
  - (iii) Amount of time spent. Summaries are not adequate. Time spent is to be accounted for in tenths of an hour and is generally to be broken down in detail by the specific task performed. Lumping services together generally is not satisfactory.
  - (iv) Designation of the particular person who rendered the service. If more than 1 person’s services are included in the application, specify which person performed each item of service.
- (F) An application that seeks reimbursement of expenses shall include a summary listing of all expenses by category (i.e., long distance telephone, copy costs, messenger and computer research). As to unusual or costly expense items, as to each such item, the application shall state:
  - (i) Date the expense was incurred.
  - (ii) Description of the expense.
  - (iii) Amount of the expense.
  - (iv) Explanation of the expense.
- (G) The application shall contain a listing of the hourly rates charged by each person whose services forms a basis for the fees requested in the application. The application shall contain a summary indicating for each attorney by name:
  - (i) The hourly rate and the periods each rate was in effect.
  - (ii) Total hours in this application for which compensation is sought.
  - (iii) Total fee due in this application.

- (H) A description of the professional education and experience of each of the individuals rendering services, including identification of the professional school attended, year of graduation, year admitted to practice, publications or other achievements, and explanation of any specialized background or expertise in bankruptcy-related matters.
  - (I) If the hourly rate has changed during the period covered by the application, the application shall specify which rate applies to which hours.
  - (J) A separately filed declaration from the client indicating that the client has reviewed the fee application and has no objection to it. If the client refuses to provide such a declaration, the professional shall file a declaration describing the steps that were taken to obtain such declaration from the client, and the client's response thereto.
- (2) Notice of Interim Fee Applications and Hearing. In all cases where the employment of more than one set of professionals has been authorized (e.g., attorneys and accountants for debtor in possession or creditors' committee counsel), the first professionals seeking approval of interim fees shall serve a notice of the intended hearing on other professionals which shall set the hearing date at least 45 days in advance and shall include the following language in the notice of application:

“Other professional persons retained pursuant to court approval may also seek approval of interim fees at this hearing, provided that they file and serve their applications in a timely manner. Unless otherwise ordered by the court, hearings on interim fee applications will not be scheduled less than 120 days apart.”

Not less than 24 days notice shall be given by the applicant or by the debtor in possession or trustee to all parties entitled to notice under F.R.B.P. 2002. The notice shall specify the identity of the professionals requesting fees, the period covered by the interim application, the specific amounts requested for fees and reimbursement of expenses, the date, time and place of the hearing, and the deadline for opposition papers. In addition to the notice, copies of the complete application, together with all supporting papers, shall be served on the debtor, the debtor in possession, the trustee (if any), the official creditors committee (if any), counsel for any of the foregoing, and the United States trustee. Copies of the complete application shall also be promptly furnished upon specific request to any other party in interest.

**(b) FINAL FEE APPLICATIONS**

- (1) Who Must File. All professional persons must file final fee applications.

- (2) Contents. Motions for final fee awards shall contain all information required of interim fee applications under Local Bankruptcy Rule 2016-1(a).
- (3) When Filed; Notice Required in Chapter 11 Cases. In chapter 11 cases, unless otherwise ordered by the court, final fee applications shall be filed and set for hearing as promptly as possible after confirmation of a plan and noticed pursuant to Local Bankruptcy Rule 2016-1(a)(2).
- (4) When Filed; Notice Required in Chapter 7 Cases.
  - (A) The chapter 7 trustee shall give at least 30 days written notice of his or her intent to file a final report and account to the attorney for the debtor; the trustee's attorney and accountant, if any; and any other entity entitled to claim payment payable as an administrative expense of the estate.
  - (B) Any professional person seeking such compensation shall file and serve on the trustee an Application for Payment of Fees within 21 days of the date of the mailing of the trustee's notice. Failure timely to file such an application may be deemed a waiver of any compensation.
  - (C) Final fee applications shall be set for hearing with the chapter 7 trustee's final report. Notice of the final fee application shall be given by the chapter 7 trustee as part of the notice of the hearing on the trustee's final report. No separate notice by the applicant is required.

Any opposition or other responsive paper shall be served and filed at least 14 days prior to the hearing.

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### **Court's Comment**

#### **2000 Revision**

Paragraph (a)(2). Notice of Interim Fee Applications and Hearing. *Twenty (20) days* changed to *24 days* in the first line of the third paragraph.

Paragraph (b)(4). When Filed; Notice Required in Chapter 7 Cases. *Eleven (11) calendar days* changed to *14 days* and *(not excluding Saturdays, Sundays, and legal holidays)* was deleted from the last line of the third paragraph.

#### **1998 Revision**

Paragraph (a)(1). Form of Fee Applications. The remainder of the first sentence after *following* deleted.

Paragraph (a)(1)(A). In fourth sentence, *or* changed to *and* between *chapter 7* and *chapter 11*. *Except that auctioneers, unless otherwise ordered by the court, must file the report required by F.R.B.P. 6004(f) prior to receiving final compensation* added to the end of the first sentence of the second subparagraph.

Paragraph (a)(1)(E)(ii). Description of service. *Must* changed to *shall* in second sentence.

Paragraph (a)(1)(F). *Must* changed to *shall* in second sentence.

Paragraph (a)(1)(G). *Must* changed to *shall* in second sentence.

Paragraph (a)(1)(I). *Must* changed to *shall*.

New paragraph (a)(1)(J) added.

Paragraph (a)(2) Notice of Interim Fee Applications and Hearing. *Must* changed to *shall* in first paragraph and in last line of third paragraph. *And* deleted, and *and the deadline for opposition papers* added, to the third to last sentence of the last paragraph. The words *(if any)* were added after the official creditors committee reference in the second to last sentence of the last paragraph.

Paragraph (b)(2) Contents. Deleted *the following: (i) and (ii) A request for approval of all prior interim fee awards; and (iii) A request for payment of any amounts previously allowed but unpaid pursuant to Local Bankruptcy Rule 141(3)*.

Paragraph (b)(3) When Filed: Notice Required in Chapter 11 Cases. *Must* changed to *shall*; and *noticed pursuant to Local Bankruptcy Rule 2016-1(a)(2)* added after *plan*.

Paragraph (b)(4)(A) *Professional person* changed to *entity*; *compensation* changed to *payment*.

Paragraph (b)(4)(C) *Clerk* changed to *chapter 7 trustee* in second sentence.

**LOCAL BANKRUPTCY RULE 2016-2****COMPENSATION AND TRUSTEE REIMBURSEMENT**  
**PROCEDURES IN CHAPTER 7 ASSET CASES****(a) APPLICABILITY**

Except as provided herein, this Rule applies in all chapter 7 asset cases in all divisions of the court and supersedes any previous general order. Nothing in this Rule shall preclude the trustee from seeking court approval to disburse estate funds by way of a noticed motion filed and served pursuant to Local Bankruptcy Rule 9013-1.

**(b) AUTHORIZATION TO USE ESTATE FUNDS UP TO \$750 TO PAY CERTAIN EXPENSES**

During the course of a case, a trustee may disburse up to \$750 from estate funds to pay the following actual and necessary expenses of the estate without further authority from the court (the “Authorized Allocation”):

- (1) Actual cost of noticing, postage, copying
- (2) Costs to advertise sale
- (3) Computer charges
- (4) Long distance telephone
- (5) Postage
- (6) Moving or storage of estate assets
- (7) Teletransmission
- (8) Travel charges for trustee (includes lodging, meals, mileage and parking)
- (9) Bank charges for research or copies
- (10) Court reporting fees
- (11) Delivery of documents
- (12) Expedited mail
- (13) Filing and process serving
- (14) Notary fees
- (15) Recording fees
- (16) Deposition/transcript fees
- (17) Witness fees
- (18) Locate and move assets
- (19) Prepare litigation support documents

- (20) Insurance
- (21) Locksmith
- (22) Rent
- (23) Security services
- (24) Utilities
- (25) Taxes payable pursuant to 11 U.S.C. § 503(b)(1)(B), but not preconversion taxes

**(c) BOND PREMIUMS**

In addition to payments that may be made from the Authorized Allocation (up to \$750), the trustee may pay bond premiums required by 11 U.S.C. § 322(a) in the ordinary course of the trustee's administration of an estate.

**(d) EXPENSES FOR THE PREPARATION OF TAX RETURNS**

The trustee may apply by a single application to employ and to pay a tax preparer a flat fee (not to exceed \$750 unless the court orders otherwise) for preparation of tax returns for the estate. If the court grants such application, the trustee may pay the flat fee so ordered without further application or order. This amount shall be in addition to payments that may be made from the Authorized Allocation (up to \$750).

**(e) EMERGENCY EXPENSES**

The trustee may exceed the Authorized Allocation to pay emergency expenses, without prior court approval, to protect assets of the estate that might otherwise be lost or destroyed. Emergency expenses are limited to:

- (1) Charges for storage of the debtor's records to prevent the destruction of those records and related necessary cartage costs
- (2) Insurance premiums to prevent liability to the estate
- (3) Locksmith charges to secure the debtor's real property or business
- (4) Security services to safeguard the debtor's real or personal property

If the trustee disburses more than the Authorized Allocation (up to \$750) to pay emergency expenses and other expenses for which the Authorized Allocation may be used, the trustee must file and serve a cash disbursement motion, as described in paragraph (g) below, within 5 court days after such expenses are paid.

**(f) PROCEDURES FOR EMPLOYMENT OF PARAPROFESSIONALS AND PAYMENT OF THEIR FEES AND EXPENSES**

A trustee must obtain court approval to employ and to pay a paraprofessional. The term "paraprofessional" includes all persons or entities other than "professionals" who perform services at the trustee's request and who will seek payment for services and expenses directly from the bankruptcy estate including, without limitation, an agent, a field representative, an adjuster and a tax preparer.

- (1) Employment. A trustee may seek court approval to employ a paraprofessional by filing an employment application using Local Bankruptcy Rules Form F 2016-2.1. The court's approval of the employment of any paraprofessional is not a judicial determination as to whether services of the paraprofessional constitute "trustee services." A nonexclusive list of services that the court deems "trustee services" that are included in the statutory limitation on a trustee's compensation pursuant to 11 U.S.C. § 326(a) includes:

- (A) Review schedules
- (B) Acceptance and qualification as a trustee
- (C) Routine investigation regarding location and status of assets
- (D) Initial contact with lessors, secured creditors, ABC, etc., if same can be accomplished from office
- (E) Turnover or inspection of documents, such as bank documents
- (F) UCC search review
- (G) Recruiting and contracting with appraisers, brokers, professionals
- (H) Mail forwarding notices
- (I) Routine collection of accounts receivable
- (J) Letters regarding compliance with Local Bankruptcy Rule 2015-1
- (K) Conduct 11 U.S.C. § 341(a) examination
- (L) Routine objection to exemption
- (M) Routine motions to dismiss
- (N) 11 U.S.C. § 707(b) referral to United States trustee
- (O) Routine documentation of notice of sale, abandonment, compromise, etc.
- (P) Appear at hearings of routine motions
- (Q) Review and execute certificate of sale, deed, or other transfer documents
- (R) Preparation and filing of notification of asset case
- (S) Prepare and file cash disbursement motions and necessary attachments
- (T) Prepare exhibits to operating reports
- (U) Prepare quarterly bond reports
- (V) Prepare 180-day status reports
- (W) Routine claims review and objection
- (X) Prepare and file final report and account and related orders
- (Y) Prepare motion to abandon or destroy books and records
- (Z) Prepare and file F.R.B.P. 3011 report
- (AA) Prepare and file notice and motion to abandon assets and related orders
- (BB) Attend sales
- (CC) Monitor litigation
- (DD) Answer routine creditor correspondence and phone calls
- (EE) Prepare and file application to employ paraprofessionals
- (FF) Review and comment on professional fee applications
- (GG) Participate in audits
- (HH) Answer United States trustee questions
- (II) Close and open bank accounts

- (JJ) Verify proposed disbursements
- (KK) Post receipts and disbursements
- (LL) Prepare detail and calculation for payment of dividend
- (MM) Prepare dividend checks
- (NN) Organize and research bills
- (OO) Prepare and sign checks for the trustee's signature
- (PP) Prepare internal cash summary sheets
- (QQ) Reconcile bank accounts
- (RR) Prepare and make deposits
- (SS) Additional routine work necessary for administration of the estate

- (2) Reimbursement of Fees and Expenses. A trustee may pay a paraprofessional only upon specific order of the court. If the paraprofessional or trustee contends that the paraprofessional's services are not "trustee services," the trustee or the paraprofessional must present evidence to support that contention. Absent adequate proof, the court may find that the services of the paraprofessional are "trustee services" subject to the limitation on compensation under 11 U.S.C. § 326(a). If a trustee refuses or neglects to file a fee application for the paraprofessional, the paraprofessional may file a separate fee application pursuant to 11 U.S.C. § 330. In addition to fulfilling the requirements of 11 U.S.C. § 330, F.R.B.P. 2014, and the Local Bankruptcy Rules, the paraprofessional's fee application must include: (i) a declaration explaining why a separate fee application is necessary; and (ii) evidence establishing which services are "trustee services" and which are not. The paraprofessional must serve any separate fee application by first class mail on the trustee, debtor, debtor's counsel, if any, the United States trustee, and all professionals and other paraprofessionals employed in the case and must give notice of the application to all creditors.

**(g) CASH DISBURSEMENT MOTION**

- (1) Filing and Service. If the trustee wishes to pay expenses not authorized by this Rule from estate funds, the trustee must file a cash disbursement motion pursuant to Local Bankruptcy Rule 9013-1(g) to obtain court approval of payments for emergency expenses and all other expenses he or she deems necessary for effective administration of the case. The cash disbursement motion must be in substantially the same form as Local Bankruptcy Rules Form F 2016-2.2. The trustee must serve the cash disbursement motion by first class mail on the debtor, debtor's counsel, if any, the United States trustee, holders of the 20 largest unsecured claims, and all those who have served the trustee with requests for special notice. Any objections to the cash disbursement motion must be filed and served on the trustee and trustee's counsel, if any, within 10 days from the date the cash disbursement motion is served. The trustee must file the cash disbursement motion with the court within 15 days after service of the motion. If the trustee receives no opposition, he or she must include a declaration to that effect. If the trustee receives opposition, he or she must set the matter for hearing and give written notice of the date, time and place of the



hearing by first class mail to the objecting party, debtor, debtor's counsel, if any, and the United States trustee. The trustee may seek an expedited hearing pursuant to Local Bankruptcy Rule 9075-1.

- (2) Hearing. The court may set a hearing on a cash disbursement motion regardless of whether an objection is made. However, if the court does not advise the trustee of a hearing on the motion within 7 court days after the motion is filed, the trustee may disburse funds from the estate to pay the expenses referred to in the motion to the extent he or she deems it necessary, pending an order of the court. If, thereafter, the trustee receives notice that the court has issued an order in which the cash disbursement motion has been disapproved in whole or in part, or that the court has set a hearing, the trustee must stop paying the expenses dealt with in the motion or otherwise comply with the provisions of the order. The trustee may file a motion for reconsideration pursuant to Local Bankruptcy Rule 9013-1(d).
- (3) Personal Liability and Disclosure. Except as provided in this Rule, a trustee who makes a disbursement without prior court approval may be personally liable to the estate for the amount of the disbursement. All disbursements made by the trustee pursuant to this Rule must be disclosed in the trustee's final report and in all applications for fees/costs by the trustee and by paraprofessionals employed in the case by the trustee.

## (h) CHAPTER 7 OPERATING CASES

A trustee may operate the business of a chapter 7 debtor and pay any actual and necessary expenses from the Authorized Allocation (up to \$750) without a court order for the first 30 days from the date of the trustee's appointment. If a trustee wishes to continue operating the debtor's business beyond the 30 days, he or she must file and serve a motion under 11 U.S.C. § 721 before the 30-day period expires. In addition to the requirements of 11 U.S.C. § 721, the trustee's motion must include evidence justifying operation of the business and state the approximate length of time the trustee intends to operate the business. The trustee may seek approval to operate the business for no more than 1 year at a time. The court may hold a hearing on the trustee's motion after the expiration of the 30-day period, but the trustee may not disburse estate funds other than the Authorized Allocation (up to \$750) after the 30-day period except upon specific order of the court. The issuance of an operating order does not relieve the trustee of the need to obtain a cash disbursement order(s) unless, and to the extent that the operating order expressly approves specific expenditures from the estate.

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### Court's Comment

#### 2003 Revision

Paragraph f(1)(EE) - *professionals and* deleted.

**2000 Revision**

New Rule incorporating General Order 00-01, Compensation and Trustee Reimbursement Proceedings in Chapter 7 Asset Cases.

## **LOCAL BANKRUPTCY RULE 2072-1**

### **NOTICE TO OTHER COURTS**

#### **(a) NOTICE OF BANKRUPTCY PETITION**

Notice of the filing of a bankruptcy petition in this district shall be given by the debtor or debtor's counsel to any federal or state court in which the debtor is party to pending litigation or other proceeding. Notice shall be given, at the earliest possible date, to the judge to whom the matter is assigned, the clerk of the court where the matter is pending, all counsel of record in the matter, and all parties to the action not represented by counsel.

#### **(b) EFFECT OF NOT GIVING NOTICE**

Failure to give the notice required by subdivision (a) of this rule may constitute cause for annulment of the stay imposed by 11 U.S.C. §§ 362, 922, 1201, or 1301, or may result in the imposition of sanctions or other relief.

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#### **Court's Comment**

#### **2003 Revision**

New Rule.

## **LOCAL BANKRUPTCY RULE 2090-1**

### **ATTORNEYS**

#### **(a) APPEARANCE BEFORE THE COURT**

- (1) By Attorney. Except as set forth in this Rule, appearance before the court on behalf of a person or entity may be made only by an attorney admitted to the bar of, or permitted to practice before, the district court. Attorneys appearing before the court are required to have read the F.R.B.P. and the Local Bankruptcy Rules in their entirety.
- (2) Scope of Appearance. An attorney may appear before the court in a case:
  - (A) Only for such matters as concern the administration of the case;
  - (B) Only for 1 or more proceedings in the case; or
  - (C) For the case and all proceedings in the case.

In chapter 9, 11, 12 and 13 cases, the attorney for the debtor is presumed to appear for the case and all proceedings in the case, unless otherwise ordered by the court.
- (3) Disclosure of Scope of Appearance in Chapter 7 Cases. In a chapter 7 case, the attorney for the debtor shall file a statement disclosing the scope of the attorney's appearance on the date of the entry of the Order for Relief, or, if the attorney has not been employed by such date, then no later than the date of the first appearance made by the attorney.
- (4) Form of Statement. The statement required by Local Bankruptcy Rule 2090-1(a)(3) shall be on a form approved by the court and shall be signed by the debtor.

#### **(b) PRO HAC VICE APPEARANCE**

- (1) Permission for Pro Hac Vice Appearance. Any person who is not otherwise eligible for admission to practice before the court, but who is a member in good standing of, and eligible to practice before, the bar of any United States court, or of the highest court of any state, territory, or insular possession of the United States, who is of good

moral character, and who has been retained to appear before the court, may, upon written application and at the discretion of the court, be permitted to appear and participate pro hac vice in a particular case or in a particular proceeding in a case.

- (2) Disqualification from Pro Hac Vice Appearance. Unless authorized by the Constitution of the United States or Act of Congress, an applicant is not eligible for permission to practice pro hac vice if the applicant:
  - (A) Resides in California; or
  - (B) Is regularly employed in California; or
  - (C) Is regularly engaged in business, professional, or other similar activities in California.
- (3) Designation of Local Counsel. A person applying to appear pro hac vice is required to designate an attorney who is a member of the bar of the court and who maintains an office within this district as local counsel with whom the court and opposing counsel may readily communicate regarding the conduct of the case and upon whom papers may be served, unless otherwise ordered by the court.
- (4) Designation of Co-Counsel. A judge to whom a case is assigned may, in the exercise of discretion, require the designation of an attorney who is a member of the bar of the court and who maintains an office within this district as co-counsel with authority to act as attorney of record for all purposes.
- (5) Obtaining Permission for Pro Hac Vice Appearance. Each applicant for permission to appear pro hac vice shall present to the clerk a written application on or conforming to court-approved form F 2090-1.2 (Application of Non-Resident Attorney to Appear in a Specific Case) and containing the following:
  - (A) The applicant's name, residence and office address.
  - (B) The courts to which the applicant has been admitted to practice and the respective dates of admission.
  - (C) A statement by the applicant of the good standing to practice before the courts to which the movant has been admitted.
  - (D) Whether the applicant has been disciplined by any court or administrative body, and if disciplinary proceedings are pending, the details of such proceeding, and whether the applicant resigned while disciplinary proceedings were pending.

- (E) Whether in the 3 years preceding the application, the applicant has filed for permission to practice pro hac vice before any court within the state of California, together with the court, title and number of each such proceeding and the disposition of each such application.
- (F) A certificate that the applicant has read the Local Bankruptcy Rules, the F.R.B.P., the F.R.Civ.P., and the F.R.Evid., in their entirety.
- (G) The designation required by Local Bankruptcy Rule 2090-1(b)(3) or 2090-1(b)(4) including the office address, telephone number and written consent of the designee.

No notice or hearing is required on such applications.

**(c) ATTORNEYS FOR THE UNITED STATES**

Any person who is not eligible for admission under Local Bankruptcy Rule 2090-1(b), or Local Rules 83-2.2.1 or 83-2.3 of the district court, who is employed within the state and who is a member in good standing of and eligible to practice before the bar of any United States court, or of the highest court of any state, territory or insular possession of the United States, and who is of good moral character, may be granted leave of court to practice in the court in any matter for which such person is employed or retained by the United States or its agencies.

**(d) PROFESSIONAL CORPORATIONS AND UNINCORPORATED LAW FIRMS; IN-HOUSE ATTORNEYS**

(1) Appearance. Other than pro se appearances on behalf of the attorney or his or her professional corporation or law firm, no appearance may be made on behalf of another party by and no pleadings or other documents may be signed in the name of any professional law corporation or unincorporated law firm (both hereinafter referred to as “law firm”) except by an attorney admitted to the bar of or permitted to practice before the court.

(2) Form of Appearance.

(A) A law firm shall appear in the following form of designation or its equivalent:

John Smith (state bar number)  
Smith and Jones  
Address  
Telephone Number  
Fax Number (if any)  
Attorneys for Plaintiff

- (B) An in-house attorney shall appear in the following form of designation or its equivalent:

John Smith (state bar number)  
 Name of corporation or business entity  
 Address  
 Telephone Number  
 Fax Number (if any)  
 Attorneys for \_\_\_\_\_

(e) **AVAILABLE PROCEDURES TO ENFORCE STANDARDS OF PROFESSIONAL CONDUCT**

Any attorney who appears for any purpose submits to the discipline of the court with respect to conduct of the case or proceeding and shall be subject to the standards of professional conduct as set forth in Local Rule 83-3.1.2 of the District Court Local Rules. A process of attorney discipline in the bankruptcy court is set forth in General Order 96-05 as Appendix II. An alternative process of attorney discipline is available as set forth in District Court Local Rule 83-3.

(f) **WITHDRAWAL AND SUBSTITUTION OF ATTORNEYS**

- (1) In General. Except as otherwise provided in Local Bankruptcy Rules 2090-1(f)(2) and 3015-1 governing chapter 13 cases, whenever an attorney has appeared on behalf of an entity in any matter concerning the administration of the case, in one or more proceedings, or both: (A) the attorney may not withdraw; and (B) the entity may not thereafter appear without counsel or by a different attorney prior to approval by the court of a motion considered after notice and a hearing.
- (2) Consensual Substitutions of Counsel. If the entity on whose behalf an attorney has appeared in any matter concerning the administration of the case, in one or more proceedings, or both, desires to substitute a different attorney in place of its former attorney, or a previously unrepresented entity desires to employ an attorney, no order shall be required, except under subsection (5) of this Rule. Notice of Substitution of Attorney shall be filed and served on those persons entitled to notice as specified in Local Bankruptcy Rule 2090-1(f)(3). Substitution of counsel shall not result in a continuance of any matter, except upon a noticed motion for continuance pursuant to Local Bankruptcy Rule 9013-1(f).
- (3) Extent of Notice.
  - (A) Case. If the attorney to be substituted out or the attorney seeking to withdraw has appeared on behalf of an entity in any matter concerning the administration of the case, notice of the proposed substitution or the motion for leave to withdraw shall be given to the debtor, the United States trustee,

any trustee, any committee which may have been appointed pursuant to the Bankruptcy Code, and any entity who has requested special notice.

- (B) Proceedings. If the attorney to be substituted out or the attorney seeking to withdraw has appeared on behalf of an entity only in one or more proceedings, notice of the proposed substitution or the motion for leave to withdraw shall be given to the debtor, parties who have been named or who have appeared in such proceeding(s), and the United States trustee.
- (C) Cases and Proceedings. If the attorney to be substituted out or the attorney seeking to withdraw has appeared on behalf of an entity both in the case and one or more proceedings, notice of the proposed substitution or the motion for leave to withdraw shall be given to all entities entitled to notice under both (f)(3)(A) and (B) of this Local Bankruptcy Rule.

(4) Required Disclosures.

- (A) Consequences of Withdrawal. An attorney moving for leave to withdraw from representation of a corporation, partnership or other unincorporated association, concurrently or prior to filing any such motion, shall give notice to the corporation or unincorporated association of the consequences of its inability to appear without counsel including the possibility that a default judgment may be entered against it in pending proceedings; or, if the client is a debtor, its chapter 11 case may be converted to chapter 7, a chapter 11 trustee may be appointed, or its case may be dismissed.
- (B) Delays. Unless good cause is shown and the ends of justice require, no substitution or withdrawal will be allowed that will cause unreasonable delay in prosecution of the case or proceeding to completion.

- (5) Required Approval for Employment. If approval is requested for employment pursuant to 11 U.S.C. § 327 or § 1103, a new attorney shall also comply with F.R.B.P. 2014 and the United States Trustee Notices and Guides, and may not be appointed merely by a Notice of Substitution of Attorney and Order thereon.

**(g) PERSONS APPEARING WITHOUT COUNSEL**

- (1) Corporation, Partnership, or Unincorporated Association. A corporation, partnership or unincorporated association may not file a petition or otherwise appear without counsel in any case or proceeding, except that it may file a proof of claim, file or appear in support of an application for professional compensation, or file a reaffirmation agreement, if signed by an authorized officer or agent of the corporation, or an authorized member or agent of the unincorporated association.



- (2) Individuals. Any person representing himself or herself without an attorney shall appear personally for such purpose. The representation may not be delegated to any other person, including a spouse, parent or other relative, nor to any other party. A non-attorney guardian for a minor or an incompetent person shall be represented by counsel.
- (3) Compliance with Rules. Any person appearing without counsel shall comply with the Local Bankruptcy Rules, the F.R.Civ.P., F.R.Evid., F.R.App.P., and F.R.B.P. Failure to comply may be grounds for dismissal, conversion, appointment of a trustee or an examiner, judgment by default, or other appropriate sanctions.

**(h) LAW STUDENT CERTIFICATION FOR PRACTICE IN BANKRUPTCY COURTS**

Law students may be certified for practice in the bankruptcy court if they meet the requirements of the Student Practice Rule of the district court except that:

- (1) They do not have to have completed courses in criminal law and criminal procedure.
- (2) They only have to have completed one-third (rather than one-half) of the legal studies required for graduation.
- (3) They shall have taken or be taking concurrently appropriate courses in bankruptcy law.

An eligible law student shall also have knowledge of and be familiar with the F.R.Civ.P., F.R.B.P., F.R.Evid., the Rules of Professional Conduct of the State Bar of California, and the Local Bankruptcy Rules.

**(i) MINORS OR INCOMPETENTS**

District Court Local Rule 83-5 is incorporated by reference.

**Court's Comment**

**2001 Revision**

Paragraph (e) Title of paragraph changed to *AVAILABLE PROCEDURES TO ENFORCE STANDARDS OF PROFESSIONAL CONDUCT*. New final sentence added: *An alternative process of attorney discipline is available as set forth in District Court Local Rule 83-3.*

Reference to Local Rules of the district court has been modified to reflect their renumbering, effective October 2001.

**2000 Revision**

Paragraph (e). JURISDICTION OF COURT TO ENFORCE STANDARDS OF PROFESSIONAL CONDUCT. In the first line, *Local Rule 2.5 of the District Court*. replaced with *Local Rule 1.2 of Chapter VII of the District Court Local Rules*. New final sentence added: *A process of attorney discipline in the Bankruptcy Court is set forth in General Order 96-05 as Appendix II.*

**1998 Revision****Rule 102:**

Paragraph (a)(1) By Attorney. *Below* was changed to *in this Rule* in the first sentence.

Paragraph (a)(4) Form of Statement. *Such* was changed to *a* and *as is* was struck following *form*.

Paragraph (b)(1) Permission for Pro Hac Vice Appearance. Title amended to add *For* between *Permission* and *Pro Hac Vice*; *motion* changed to *application* in first sentence; second paragraph pertaining to permission to appear pro hac vice in the district court deleted as no longer applicable pursuant to the District Court General Order No. 96-6.

Paragraph (b)(2) Disqualification from Pro Hac Vice Appearance. *A movant* changed to *an applicant*, and *the movant* changed to *the applicant*.

Paragraph (b)(3) Designation of Local Counsel. *The* was replaced with *A* to start the paragraph; *moving* changed to *applying*.

Paragraph (b)(5) Obtaining Permission for Pro Hac Vice Appearance. *Movant* changed to *applicant*, and *motion* changed to *application on or conforming to court-approved form F 2090-1.2 (Application of Non-Resident Attorney to Appear in a Specific Case) and*, in first sentence. *Movant* changed to *applicant* in subparagraphs (A) through (F). *Motions* changed to *applications* in last sentence.

Paragraph (d). *IN-HOUSE ATTORNEYS* added to paragraph title.

Paragraph (d)(2) Form of Appearance. In subsection (A), state bar number, address, telephone, and fax number added to the requirements for appearance by a law firm. New subsection (B) added.

Paragraph (f)(1) In General. *Pro se* changed to *without counsel*.

Paragraph (f)(2) Consensual Substitutions of Counsel. *Except under subsection (5) of this Rule* was appended to the end of the first sentence.

Paragraph (f)(5) Required Approval for Employment. *In all situations where the attorney who is withdrawing or being substituted out was required to be approved for* was replaced with *If approval is requested for*. *U. S. Trustee Guidelines* was replaced with *United States Trustee Notices and Guides*.

Paragraph (g) PERSONS APPEARING WITHOUT AN ATTORNEY, PRO SE LITIGANTS. The title changed to *PERSONS APPEARING WITHOUT COUNSEL*.

Paragraph (g)(1) Corporation, Partnership or Unincorporated Association. *Pro se* changed to *without counsel*.

Paragraph (g)(2) Individuals. *Must* changed to *shall* in first sentence; *other* inserted before *relative* in second sentence; *A non-attorney guardian for a minor or an incompetent person must be represented by counsel* added as last sentence to conform to District Court Local Rules.

Paragraph (g)(3) Compliance with Rules. *Must* changed to *shall* in first sentence; *will be required to* replaced with *shall*.

Former paragraph (h) RESTRICTIONS ON EX PARTE COMMUNICATIONS. Deleted as inconsistent with the F.R.B.P.

Paragraph (h) LAW STUDENT CERTIFICATION FOR PRACTICE IN BANKRUPTCY COURTS (former paragraph (i)). *Must* changed to *shall* in (3) and in last paragraph; the *California Rules of Professional Conduct* changed to the Rules of Professional Conduct of the State Bar of California in the last paragraph; *Rules of this Court* changed to *the Local Bankruptcy Rules* in the last paragraph.

Rule 132:

MINORS OR INCOMPETENTS incorporated in this Rule as paragraph (i).